OFFICE OF CLIMATE CHANGE, SUSTAINABILITY AND RESILIENCY
CITY AND COUNTY OF HONOLULU
925 DILLINGHAM BOULEVARD, SUITE 257 • HONOLULU, HAWAIʻI 96817
PHONE: (808) 768-2277 • EMAIL: resilientoahu@honolulu.gov • INTERNET: www.resilientoahu.org

KIRK CALDWELL
MAYOR

JOSHUA W. STANBRO
EXECUTIVE DIRECTOR &
CHIEF RESILIENCE OFFICER

May 19, 2020

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The Honorable Ron Menor, Chair
and Members
Committee on Zoning, Planning and Housing
Honolulu City Council
530 South King Street, Room 202
Honolulu, Hawaiʻi 96813

Dear Chair Menor and Committee Members:

SUBJECT: Bill 2 (2020) – Relating to Off-Street Parking and Loading

The Office of Climate Change, Sustainability and Resiliency (CCSR) strongly supports Bill 2 (2020), which strives to improve housing affordability, provide more flexibility in parking options to both the market and Oʻahu residents, and support more sustainable transportation options by right-sizing parking requirements.

The amendments proposed in the bill comprise the first comprehensive reform to the Revised Ordinances of Honolulu, Chapter 21 Land Use Ordinance (LUO) Article 6 Off-Street Parking and Loading in more than thirty years, and follows a robust public outreach process in 2019 by the Department of Planning and Permitting (DPP). These LUO amendments also serve as implementation of Action Eight prioritized by island residents and outlined in the *Oʻahu Resilience Strategy* that was adopted by the Honolulu City Council as a guiding policy document in October of 2019. As outlined in the *Resilience Strategy*, Bill 2 will update our parking regulations to help address both the affordability crisis that pushes more residents out of housing options and the climate crisis.

Honolulu, like many other cities across the U.S, now has an over-supply of parking in many areas of town. One study indicates that for every passenger car in the U.S. there are approximately eight parking spaces in most urban areas, and in some cities, as many as 30 spaces per car.[1] Many U.S. cities—from Charlotte, North Carolina to Sacramento, California—are realizing the benefits of reducing the number

[1] See Long, Andrew R. 2013. *Urban Parking as Economic Solution*. International Parking and Mobility Institute.

MAYOR'S MESSAGE 62
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of parking stalls required in new development, as well as removing parking requirements entirely to allow more market flexibility. While in many cases local residents have the perception of limited parking because of the tendency to focus on on-street parking stalls as the easiest to access, there is significant evidence that Honolulu's outdated parking minimums and other market factors have led to an excess of off-street parking in even the most urban parts of Honolulu. Both the 2011 Honolulu Urban Core Parking Master Plan and a following 2015 Waikīkī Parking Pricing Study showed that even in the densest urban area, off-street parking was observed to be approximately 25-30% unoccupied, suggesting an overall surplus of parking.[2] The same was underscored in 2019 by an assessment from the Ulupono Initiative of urban parking garages built in the last 20 years.[3] Bill 2 will allow flexibility to right-size parking for new development in such areas, while also updating rules to ensure increased parking in some single-family areas on O'ahu where parking is tightest and car ownership highest.

Parking spaces are expensive to build upfront and maintain over time, adding significant costs to badly needed new housing development. In Honolulu, each individual parking stall in a parking structure is estimated to cost anywhere from $20,000 to $50,000 (in some cases even more) to build. Removing minimum parking requirements have shown to make homeownership more attainable in other cities that have made these changes, by helping to reduce excess parking from being built and offering more flexibility to developers to determine necessary parking at the individual site. Requiring more parking has a direct relationship to less housing and other essential community benefits. In Oakland, when parking minimums were first introduced, the number of apartments built on a typical lot decreased by 30%.[4] And in New York City, a 10% increase in required parking resulted in six percent lower housing density.[5] On O'ahu we need more flexibility to ensure limited land is prioritized for housing people and not cars, especially in areas with greater transit access.

Parking costs are also passed on to owners and tenants, regardless of their state of car ownership. According to Census data, 43.7% of O'ahu households have zero or one car, and 59.3% of rental household have zero or one car. These residents are often overpaying for access to parking they don't use. This is especially true for low-income

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[2] See Walker Parking Consultants. 2016. *Honolulu Urban Core Parking Master Plan*. City and County of Honolulu.
[3] See Rooney, Kathleen and Shoup, Donald. 2019. *There's No Such Thing as Free Parking*. *Honolulu Civil Beat*.
[4] See Shoup, Donald C. 2005. *The High Cost of Free Parking*. Chicago: Planners Press, American Planning Association
[5] See Manville et al. 2013. *Turning Housing into Driving: Parking Requirements and Density in Los Angeles and New York.* Housing Policy Debate.

residents who comprise 69% of O‘ahu households without a car, as well as young residents or seniors who are increasingly electing not to bear the significant expense of owning a car at all. On average nationwide, parking garages add $1,700 to residential rents and cost carless renters an additional $621 per year. In San Francisco, parking increased housing prices 12-13% and put mortgages out of reach for 20-24% more lower-income households.[6]

Reducing the minimum parking spaces required in new construction in transit-rich and more urban areas, combined with DPP’s recommendation to “unbundle” parking, will help reduce overall costs to developers and residents, as well as more equitably distribute parking costs among those who need and use it. The combination of these two policies is essential. While it is important that *developers* have choice in how much parking is required at the unique site (reduced parking minimums), it is equally critical to ensure that *tenants and buyers* have choice with how much parking they want to use (unbundling). A further benefit of unbundling is that it requires central management of a building’s parking by an association of apartment owners (AOAO) or other, thus allowing building owners and residents to lease out or repurpose unused parking stalls for new revenue or repurpose for a higher use in the future (such as new housing units or common area assets).

Additionally, without reforming parking policies Honolulu will continue to incentivize car ownership and single-occupancy automobile trips that create greenhouse gas emissions and cause climate change. While we are making some success as an island moving away from fossil fuels toward a decarbonized economy, we are not doing so nearly fast enough to keep the global temperature rise below 2°C, as called for in the Paris climate agreement. More than one-fifth of all island emissions come from automobile travel, which has remained stubbornly stagnant for the past decade. One study of medium-sized cities found that a 10% increase in parking spaces leads to an eight percent increase in driving to work and thus associated emissions.[7] Beyond the emissions benefits of right-sizing parking, Bill 2 supports more sustainable transportation options by revising bicycle parking requirements, reducing large loading stalls, encouraging car-share stalls and ride-share loading, and expanding shared and joint-use parking options.

Finally, as the City transitions to renewable sources of energy for transportation, it is essential that our parking policies align and support electric vehicle (EV) adoption.

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[6] See Smart Growth America. 2019. *Technical Memorandum III: Best Practices; Off-Street Parking & Loading Sections Land Use Ordinance for City & County of Honolulu, Hawai‘i.* DPP report to Council January 7, 2020.
[7] See McCahill et al, 2015. *Effects of Parking Provision on Automobile Use in Cities: Inferring Causality.* Transportation Research Board.

Bill 2 will complement Bill 25 which is also before the City Council, by allowing developers significantly more flexibility to create parking, EV-ready or not, that is tailored to the unique needs of the site. By reducing parking by even one stall ($20,000 to $50,000 savings in a structured lot) developers can see a 20- to 50-fold savings over the estimated cost to create a single EV-ready stall. Additionally, with unbundled parking, EV-specific parking stalls can much more easily be switched or shared between residents who do not have an EV to those that do. We strongly recommend the Committee's positive consideration of these two complementary bills.

Thank you for the opportunity to provide these comments in support of DPP's proposed LUO amendments in Bill 2. Should you have any questions, please contact me at 768-2277 or resilientoahu@honolulu.gov.

Sincerely,

Joshua Stanbro
Executive Director and
Chief Resilience Officer

APPROVED:

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Roy K. Amemiya Jr.
Managing Director